



Executive Committee Agenda

Friday, December 3, 2021

8 a.m.

****Teleconference Meeting****

MEETING ANNOUNCEMENT AMIDST COVID-19 PANDEMIC:

The Executive Committee meeting scheduled for Friday, December 3, 2021, will be conducted virtually in accordance with Governor Newsom’s State of Emergency declaration regarding the COVID-19 outbreak, Government Code Section 54953(e), Assembly Bill 361 (Rivas 2021), and the Guidance for Gatherings issued by the California Department of Public Health. Committee members will primarily participate in the meeting virtually, while practicing social distancing, from individual remote locations.

To participate via Zoom webinar, click the link to join the meeting: <https://zoom.us/j/97144793870>

Webinar ID: 971 4479 3870

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Public Comments: Persons who wish to address the members on an item to be considered at this meeting, or on non-agendized issues, may email comments to the Clerk at clerkoftheboard@sandag.org (please reference “Friday, December 3, 2021, Executive Committee Meeting,” in your subject line and identify the item number(s) to which your comments pertain). Comments received by 4 p.m. on Thursday, December 2, will be provided to members prior to the meeting. If you desire to provide live verbal comment during the meeting, please join the Zoom meeting by computer or phone and use the “Raise Hand” function to request to provide public comment. On a computer, the “Raise Hand” feature is on the Zoom toolbar. By phone, enter *9 to “Raise Hand” and *6 to unmute. Requests to provide live public comment must be made at the beginning of the relevant item, and no later than the end of any staff presentation on the item. The Clerk will call on members of the public who have timely requested to provide comment by name for those joining via a computer and by the last three digits of for those joining via telephone. All comments received prior to the close of the meeting will be made part of the meeting record. Please note that any available chat feature on the Zoom meeting platform should be used by panelists and attendees solely for procedural or other “housekeeping” matters as comments provided via the chat feature will not be retained as part of the meeting record. All comments to be provided for the record must be made via email or orally per the instructions above.



Welcome to SANDAG. Members of the public may speak to the Executive Committee on any item at the time the Committee is considering the item. Public speakers are limited to three minutes or less per person. The Committee may only take action on any item appearing on the agenda.

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请在会议前至少 72 小时打电话 (619) 699-1900 提出请求。

Message from the Clerk

In compliance with Government Code §54952.3, the Clerk hereby announces that the compensation for legislative body members attending the following simultaneous or serial meetings is: Executive Committee (EC) \$100, Board of Directors (BOD) \$150, and Regional Transportation Commission (RTC) \$100. Compensation rates for the EC and BOD are set pursuant to the SANDAG Bylaws, and the compensation rate for the RTC is set pursuant to state law.

Vision Statement

Pursuing a brighter future for all.

Mission Statement

We are the regional agency that connects people, places, and innovative ideas by implementing solutions with our unique and diverse communities.

Our Commitment to Equity

We hold ourselves accountable to the communities we serve. We acknowledge we have much to learn and much to change; and we firmly uphold equity and inclusion for every person in the San Diego region. This includes historically underserved, systemically marginalized groups impacted by actions and inactions at all levels of our government and society.

We have an obligation to eliminate disparities and ensure that safe, healthy, accessible, and inclusive opportunities are available to everyone. In 2021, SANDAG will develop an equity action plan that will inform how we plan, prioritize, fund, and build projects and programs; frame how we work with our communities; define how we recruit and develop our employees; guide our efforts to conduct unbiased research and interpret data; and set expectations for companies and stakeholders that work with us.

We are committed to creating a San Diego region where every person who visits, works, and lives can thrive.

Executive Committee

Friday, December 3, 2021

Item No.		Action
1.	Public Comments/Communications/Member Comments Public comments under this agenda item will be limited to five public speakers. Members of the public shall have the opportunity to address the Executive Committee on any issue within the jurisdiction of Committee that is not on this agenda. Public speakers are limited to three minutes or less per person. If the number of public comments under this agenda item exceeds five, additional public comments will be taken at the end of the agenda. Subjects of previous agenda items may not again be addressed under public comment.	
Consent		
+2.	Approval of Meeting Minutes <i>Francesca Webb, SANDAG</i> The Executive Committee is asked to approve the minutes from its October 8, 2021, meeting.	Approve
+3.	Review of Draft Board Agendas <i>Victoria Stackwick, SANDAG</i> The Executive Committee is asked to approve the following draft agendas: +3A. December 17, 2021, draft Board agenda +3B. January 14, 2021, draft Board agenda	Approve
Report		
+4.	Legislative Status Report <i>Peter Peyser, Peyser Associates; Kirk Blackburn, Ellison Wilson Advocacy Victoria Stackwick, Anna Lowe, and Hector Vanegas, SANDAG</i> An update on SANDAG legislative and policy activities will be presented.	Information
5.	Upcoming Meetings The next meeting of the Executive Committee is scheduled for Friday, January 14, 2022, at 8 a.m.	Information
6.	Adjournment	

+ next to an agenda item indicates an attachment

December 3, 2021

October 8, 2021, Executive Committee Meeting Minutes

Chair Catherine Blakespear (North County Coastal) called the meeting of the Executive Committee to order at 8:30 a.m.

Action: **Approve**

The Executive Committee is asked to approve the minutes from its October 8, 2021, meeting.

1. Public Comments/Communications/ Member Comments

None.

2. Approval of Meeting Minutes (Approve)

There were no public comments on this item.

Action: Upon a motion by Second Vice Chair Alejandra Sotelo Solis (South County) and a second by Vice Chair Todd Gloria (City of San Diego), the Executive Committee approved the minutes from its July 9, 2021, meeting.

The motion passed.

Yes: Chair Blakespear, Vice Chair Gloria, Second Vice Chair Sotelo-Solis, Supervisor Terra Lawson-Remer (County of San Diego), Mayor Racquel Vasquez (East County), and Mayor Rebecca Jones (North County Inland).

No: None.

Abstain: None.

Absent: None.

Reports

3. Review of Draft Board Agendas (Discussion/Possible Action)

Director of Government Relations Victoria Stackwick presented the draft October 22, 2021, Board of Directors agenda, and provided a verbal update on the Special October 29, 2021, and November 5, 2021, Board of Directors meetings.

There were no public comments on this item.

Action: Upon a motion by Second Vice Chair Sotelo-Solis and a second by Vice Chair Gloria, the Executive Committee approved the Draft October 22, and 29, 2021, Board of Directors meeting agendas.

The motion passed.

Yes: Chair Blakespear, Vice Chair Gloria, Second Vice Chair Sotelo-Solis, Supervisor Lawson-Remer, Mayor Vasquez, and Mayor Jones.

No: None.

Abstain: None.

Absent: None.

4. Legislative Status Report (Information)

Director of Government Relations Victoria Stackwick, Acting Manager of Government Relations Anna Lowe, and Borders Program Manager Héctor Vanegas presented an update on SANDAG legislative and policy activities.

There were no public comments on this item.

Action: Information only.

5. Upcoming Meetings (Information)

The next scheduled Executive Committee meeting is November 5, 2021, at 8 a.m.

6. Adjournment

Chair Blakespear adjourned the meeting at 8:57 a.m.

Confirmed Attendance at SANDAG Executive Committee Meeting

October 8, 2021

Jurisdiction	Name	Member/ Alternate	Attend
North County Inland	Steve Vaus	Primary	No
	Rebecca Jones	Alternate	Yes
North County Coastal	Catherine Blakespear, Chair	Primary	Yes
	Matt Hall	Alternate	Yes
South County	Alejandra Sotelo-Solis, Second Vice Chair	Primary	Yes
	Serge Dedina	Alternate	No
East County	Racquel Vasquez	Primary	Yes
	John Minto	Alternate	Yes
City of San Diego	Todd Gloria, Vice Chair	Primary	Yes
	Vivian Moreno	Alternate	No
	Marni von Wilpert	Alternate	No
County of San Diego	Terra Lawson-Remer	Primary	Yes
	Joel Anderson	Alternate	Yes

December 3, 2021

December 17, 2021, Draft Board of Directors Meeting Agenda

Item No.		Action
1.	Public Comments/Communications Public comments under this agenda item will be limited to five public speakers. Members of the public shall have the opportunity to address the Board on any issue within the jurisdiction of SANDAG that is not on this agenda. Public speakers are limited to three minutes or less per person. If the number of public comments under this agenda item exceeds five, additional public comments will be taken at the end of the agenda. Subjects of previous agenda items may not again be addressed under public comments.	
Consent		
+2.	Approval of Meeting Minutes <i>Francesca Webb, SANDAG</i> +2A. November 19, 2021, meeting minutes +2B. December 3, 2021, meeting minutes +2C. December 10, 2021, meeting minutes	Approve
+3.	Approval of Proposed Solicitations and Contract Awards <i>Julie Wiley, SANDAG</i> The Board of Directors is asked to approve the proposed solicitations and contract awards.	Approve
+4.	Policy Advisory Committee Actions <i>Francesca Webb, SANDAG</i> The Board of Directors is asked to ratify the actions taken by the Policy Advisory Committees since the last Board meeting.	Approve
+5.	FY 2021 Transportation Development Act Extension Request <i>Marcus Pasqual, SANDAG</i> The Board of Directors is asked to approve the FY 2021 Transportation Development Act audit extension request(s), until March 27, 2022, as permitted by the California Public Utilities Code and the California Code of Regulations.	Approve
+6.	Regional Equitable Housing Subcommittee <i>Supervisor Terra Lawson-Remer, County of San Diego</i> The Board of Directors is asked to approve the charter for the Regional Equitable Housing Subcommittee.	Approve

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|----------------|---|-------------|
| +7. | <p>Continuation of Teleconferenced Meetings
 <i>Melissa Coffelt, SANDAG</i></p> <p>The Board of Directors is asked to adopt Regional Transportation Commission (RTC) Resolution No. RTC-2022-XX, allowing for continued remote teleconferenced public meetings for all SANDAG legislative bodies based upon a continued state of emergency related to the COVID-19 pandemic as well as recommendations from state or local officials regarding social distancing.</p> | Adopt |
| +8. | <p>Quarterly Finance Report and Update on Financial Markets Through September 2021*
 <i>André Douzджian and Ray Major, SANDAG</i></p> <p>This quarterly report provides various finance-related items to the Board of Directors, including: (1) a quarterly report of investments, including all money under the direction or care of SANDAG; (2) an update on the SANDAG debt portfolio; and (3) information about the latest developments in the financial markets, the economy, and sales tax revenues.</p> | Information |
| +9. | <p>Quarterly Progress Report on SANDAG Capital Program Through September 2021
 <i>Michelle Smith, SANDAG</i></p> <p>This quarterly report provides an update on the status of the SANDAG Capital Program, as approved in the FY 2022 Program Budget.</p> | Information |
| +10. | <p>Chief Executive Officer’s Delegated Actions*
 <i>Kim Monasi, SANDAG</i></p> <p>In accordance with various SANDAG Board Policies, this report summarizes certain delegated actions taken by the Chief Executive Officer since the last Board meeting.</p> | Information |
| +11. | <p>Meetings and Events Attended on Behalf of SANDAG
 <i>Francesca Webb, SANDAG</i></p> <p>This report summarizes external meetings and events attended by SANDAG Board members on behalf of the agency since the last Board meeting.</p> | Information |
| Reports | | |
| +12. | <p>Regional Digital Equity Action Plan
 <i>Antoinette Meier and Krystal Ayala, SANDAG</i></p> <p>The Board of Directors is asked to adopt the Digital Equity Action Plan, a regional model to bridge the digital divide.</p> | Adopt |
| +13. | <p>Community Benefits Agreement
 <i>Dan Slone, Parsons</i>
 <i>Victoria Stackwick and Elaine Richardson, SANDAG</i></p> | Approve |

The Board of Directors is asked to authorize the Executive Director to execute the negotiated Community Benefits Agreement between SANDAG and the San Diego County Building and Construction Trades Council.

- +14. Update on SANDAG Equity Action Plan** **Information**
Sally Goodman, SANDAG

An update on work to advance diversity, equity, and inclusion within the organization, early actions to implement the SANDAG Commitment to Equity statement and plans for external engagement to continue development of the SANDAG Equity Action Plan in 2022 will be presented.

- 15. Chief Executive Officer's Report** **Discussion**
Hasan Ikhata, SANDAG

An update on key programs, projects, and agency initiatives will be presented.

- 16. Member Comments**

Board members shall have the opportunity to provide information and announcements on any issue within the jurisdiction of SANDAG that is not on this agenda. Subjects of previous agenda items may not again be addressed under member comments.

- 17. Upcoming Meetings** **Information**

The next Board of Directors meeting is scheduled for Friday, January 14, 2022, at 9 a.m.

- 18. Adjournment**

+ next to an agenda item indicates an attachment

* next to an agenda item indicates that the Board of Directors also is acting as the San Diego County Regional Transportation Commission for that item

December 3, 2021

January 14, 2022, Draft Board of Directors Meeting Agenda

Item No.		Action
1.	Public Comments Public comments under this agenda item will be limited to five public speakers. Members of the public shall have the opportunity to address the Board on any issue within the jurisdiction of SANDAG that is not on this agenda. Public speakers are limited to three minutes or less per person. If the number of public comments under this agenda item exceeds five, additional public comments will be taken at the end of the agenda. Subjects of previous agenda items may not again be addressed under public comments.	
2.	Chief Executive Officer's Report <i>Hasan Ikhata, SANDAG</i> An update on key programs, projects, and agency initiatives will be presented.	Discussion
Consent		
+3.	Approval of Meeting Minutes <i>Francesca Webb, SANDAG</i> The Board of Directors is asked to approve the minutes from its December 17, 2021, meeting.	Approve
+4.	Approval of Contract Award for Bayshore Bikeway: Barrio Logan Project <i>Julie Wiley, SANDAG</i> The Board of Directors is asked to authorize the Chief Executive Officer to award a contract for Bayshore Bikeway: Barrio Logan project.	Approve
+5.	Policy Advisory Committee Actions <i>Francesca Webb, SANDAG</i> The Board of Directors is asked to ratify the actions taken by the Policy Advisory Committees since the last Board meeting.	Approve
+6.	Chief Executive Officer Delegated Actions* <i>Kim Monasi, SANDAG</i> In accordance with various SANDAG Board Policies, this report summarizes certain delegated actions taken by the Chief Executive Officer since the last Board meeting.	Information

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|-----|---|-------------|
| +7. | Meetings and Events Attended on Behalf of SANDAG
<i>Francesca Webb, SANDAG</i> | Information |
| | Board members will provide brief reports on external meetings and events attended on behalf of SANDAG since the last Board meeting. | |

Reports

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|-----|--|--------------------------------|
| +8. | <i>TransNet</i> Extension Ordinance Funding Scenarios*
<i>Ray Major, SANDAG</i> | Discussion/
Possible Action |
| | The Board of Directors is asked to review potential funding scenarios and provide staff with direction on potential funding changes to the subprograms in the <i>TransNet</i> Extension Ordinance. | |

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| +9. | Proposed FY 2022 Program Budget Amendment: Capital Improvement Program*
<i>Susan Huntington and Coleen Clementson, SANDAG</i> | Approve |
| | The Board of Directors is asked to approve an amendment to the FY 2022 Program Budget, adding \$204.1 million in state and federal funds to advance high priority regional projects. | |

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| +10. | SR 11/Otay Mesa East Port of Entry Project Update
<i>Hector Vanegas and Maria Rodrigues Molina, SANDAG</i>
<i>Mario Orso, Caltrans</i> | Information |
| | An update on the SR 11/Otay Mesa East Port of Entry project will be provided. | |

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| 11. | Member Comments | |
| | Board members shall have the opportunity to provide information and announcements on any issue within the jurisdiction of SANDAG that is not on this agenda. Subjects of previous agenda items may not again be addressed under member comments. | |

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| 12. | Upcoming Meetings | Information |
| | The next Board Business meeting is scheduled for Friday, January 28, 2022, at 9 a.m. | |

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| 13. | Adjournment | |
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+ next to an agenda item indicates an attachment

* next to an agenda item indicates that the Board of Directors also is acting as the San Diego County Regional Transportation Commission for that item

December 3, 2021

Legislative Status Report

Status reports on SANDAG legislative activities are provided to the Executive Committee on a regular basis. Given the historic nature of the recently-signed Infrastructure Investment and Jobs Act, SANDAG's federal and state advocates will provide an update on its impact to the region.

Action: **Information**

An update on SANDAG legislative and policy activities will be presented.

Attachment 1 includes a summary from Peyser Associates LLC on federal legislative activity related to SANDAG for September 2021.

Victoria Stackwick, Director of Government Relations

Key Staff Contacts: Victoria Stackwick, (619) 699-6926, victoria.stackwick@sandag.org
Anna Lowe, (619) 595-5603, anna.lowe@sandag.org
Jack Christensen, (619) 595-1442, jack.christensen@sandag.org
Hector Vanegas, (619) 699-1972, hector.vanegas@sandag.org

Attachment: 1. Report from Peyser Associates LLC

PEYSER ASSOCIATES

LLC

Peter A. Peyser

October 8, 2021

Transportation Update from Peyser Associates

Debt Limit Increase Creates Potential for More Mischief in December

Senate Minority Leader Mitch McConnell (R-KY) this week flexed his parliamentary muscles and extracted a deal with Democrats that raises the federal debt limit ceiling by just enough to ensure another game of chicken right after Thanksgiving. The increase approved last night by the Senate on a vote of 50-48 – with no GOP support – is projected to give the government enough borrowing capacity to make it to right around December 3. That is the date the temporary government spending bill (Continuing Resolution) expires. The House is scheduled to vote on the bill on Tuesday.

As a result of this action, the stakes will be even higher the next time Congress deals with the debt limit. As the holidays approach, Congress will be approaching a true “fiscal cliff,” with the debt ceiling and spending bills expiring together. Senator McConnell has told Democrats that next time, the GOP will not allow a vote to occur on a debt limit increase unless it comes up in a Budget Reconciliation bill, which requires only 50 votes to pass. He has said the alternative would be for the Democrats to drop their “Build Back Better” reconciliation package altogether. In that case, he would allow a straight-up vote on another debt ceiling increase. Democrats have said they do not want to use the reconciliation process to increase the debt limit.

High drama and finger-pointing are to be expected as the deadline for action on these measures approaches.

Reconciliation Talks Continue, Minus the Reconciliation

The White House and congressional Democratic leaders continued this week to speak with progressive Members of the House and moderate Senators to see if common ground can be found on the overall size and substantive content of a Budget Reconciliation bill. While the week crystallized the positions of the key players, it did not appear to bring a compromise any closer.

Senator Joe Manchin (D-WV) indicated this week that he does not intend to budge from his position that \$1.5 trillion over 10 years is the maximum he can support in a spending plan. He has also dug in his heels in opposition to several climate-related provisions that he feels are damaging to the coal industry in his state. House progressives, on the other hand, are showing some flexibility in their top line number of \$3.5 trillion and are indicating a desire to engage with Senators on the details of programmatic elements of the bill. Progressives are also floating the idea of shortening the time frame of the spending increases to 5 years in order to bring the annual spending amount closer to what it would have been in a larger package. Where the progressives are digging in their heels is on climate policies to accelerate the phasing out of fossil fuels.

Washington, DC

While the White House continues to speak separately with both sides in this debate, the President has not sought to bring them together at a White House meeting to discuss a compromise. Such talks would be helpful in getting both sides to lay their cards on the table about their true bottom lines. Talking directly, instead of through the media, could accelerate a deal. It would also demonstrate to the nation that the President is taking charge. Recent polling shows the President's approval ratings underwater for the first time in his presidency (i.e. his disapproval is higher than his approval) and the pollsters are interpreting that as being because voters think he hasn't accomplished much. This raises the stakes for the Administration and may cause President Biden to make more of a show of bringing the parties together personally.

October 15, 2021

Transportation Update from Peysner Associates

Democrats Consider Shorter Spending Period on Reconciliation

This week Democratic leaders in the House and Senate confirmed that they are looking seriously at the option of reducing the spending time horizon on some or all of the social programs in the proposed reconciliation bill as a way to reduce the overall cost but still advance programs popular with their more progressive Members.

Both House Speaker Nancy Pelosi (D-CA) and Senate Majority Whip Dick Durbin (D-IL) this week indicated this approach is under consideration. It tracks with an idea floated recently by leaders of the House Progressive Caucus to appropriate funds for social programs like universal pre-K, child care, Medicare and Medicaid expansion and others over five years instead of ten. This approach to accommodating a reduction of about 50% in the previously proposed ten-year, \$3.5 trillion package could limit, or prevent altogether, the hard choices of having to drop certain programs from the package. It would also place a large bet on the proposition that after five years the programs would become so popular that a future Congress would want to extend them.

So far, moderate Senate Democrats Joe Manchin (D-WV) and Kyrsten Sinema (D-AZ) have been silent on this option. Either one of them could scuttle it, but for now their silence seems to indicate it could be a workable approach to gaining 50 votes in the Senate and placating House progressives so as to ensure passage in the House.

Conversations around this plan are taking place at the leadership level so the process is opaque at present. It is unclear how soon a deal could emerge.

Rumors Surround Timing of Infrastructure Vote

Sen. Tim Kaine (D-VA) sparked some interest around town yesterday when he commented to a reporter that a House vote on the infrastructure package could occur "as early as next week." While your reporter has not heard this from another source on the Hill, Sen. Kaine is not

normally the type to speculate wildly in public. The House is scheduled to return from its “Committee Work Week” to have floor votes next week. A detailed schedule for legislation to be considered has not yet been released.

Whenever the House schedules its vote on final passage, the contents of the bill passed by the Senate in August is not going to be subject to change when the bill comes up.

October 22, 2021

Transportation Update from Peysers Associates

Reconciliation Talks Show Progress But Hurdles Remain

President Biden is known as a talker. Sometimes to the horror of his staff, he says things that fall into the category of uncomfortable truth. Such a moment came last night at a CNN Town Hall in Baltimore. In answering a question about the prospects for increases in the individual and corporate income tax rates he said: “Look, when you’re in the United States Senate and you’re president of the United States and you have 50 Democrats, everyone is the president.” There, in a nutshell, you have the fundamental problem Democrats are facing in getting to a deal on the sweeping social spending/climate/tax increase package the Administration calls “Build Back Better.”

Despite the difficulties, all the major players in the intra-party discussions to reach a deal on a Budget Reconciliation bill this week indicated optimism that a deal would come together soon. Senate Majority Leader Chuck Schumer (D-NY) said on Tuesday he wanted a deal by the end of the week. As Friday dawns in Washington that seems like an optimistic target.

Previous editions of this update have noted that negotiators were trying a number of approaches to fitting a \$3.5 trillion proposal into a \$2 trillion, or less, bucket. Shortening time lines, reducing spending amounts or jettisoning whole programs from the package has all been discussed. This week’s comments by the White House and congressional leaders make it clear all of these options are being used. In a White House meeting on Tuesday, President Biden told Democratic lawmakers that the \$108 billion proposed to fund tuition-free community college nationwide would be dropped altogether from the package. Separately, Democratic lawmakers told reporters health care spending in the package would be reduced by 75% to \$250 million. Such a cut would jeopardize spending on Medicaid and Medicare expansion and expanded tax credit for health insurance premiums. House Speaker Nancy Pelosi (D-CA) in a news conference said shortening the time frame of spending programs to less than 10 years was in the mix to ease the impact of these cuts.

For transportation funding advocates, the question is whether or not the \$35 billion of transportation spending approved at the House Committee on Transportation and Infrastructure can stay in this package as major social programs are either eliminated from it or cut back substantially. Advocates for the high-speed rail and transit funding in the package continued to push hard this week to keep the funding in the bill. Groups like Transportation for America and the U.S. High Speed Rail Coalition ramped up social media campaigns and press interviews to keep the pressure on.

While these efforts are keeping a spotlight on the need for transportation spending, it is hard to find anyone on Capitol Hill who believes significant transportation spending can stay in this package when so much money is being cut from the social and climate programs that are at the core of this plan. That is particularly true when there is a \$1 trillion infrastructure spending package poised for enactment separately.

Senate Democrats Release Fiscal 2022 Spending Bills – Controversy Ensues

Senate Appropriations Committee Chair Patrick Leahy (D-VT) on Monday released nine draft spending bills for fiscal 2022. These included the Transportation-HUD measure. The bills represent the Democrats’ proposals for each spending bill. They are not the product of full committee consideration.

Republicans instantly protested the move, with Ranking Minority Member Richard Shelby (R-AL) accusing Democrats of advancing a partisan agenda and saying the bills would not have GOP support. Shelby chief objection is on the topline spending amounts for domestic discretionary programs versus defense programs. The bills released on Monday reflect a 13% increase over fiscal 2021 for domestic discretionary spending and a 5% increase in defense spending. (These figures do NOT count spending for infrastructure and Build Back Better programs in the works outside the normal annual appropriations process.) GOP Senators believe there should be parity between those two numbers.

Shelby on Wednesday said a GOP counteroffer will be coming soon. What is clear, given that at least 10 GOP votes are needed to pass appropriations bills, is that the numbers in the Democratic proposal will change as the bills move through the process.

With the above as a caveat, here is a chart showing funding levels for highway, rail and transit programs in the Senate Democrats’ THUD bill as compared with the FY 2021 amounts and the House-passed bill (\$ in millions):

	FY 2021	FY 2022 House	FY 2022 Senate Dems
FHWA			
Obligation Limit	\$46,365.1	\$61,143.1	\$46,365.1
Highway Infra Projects - STP Eligible & Electric	640.7		640.7
Highway Infra. Projects - Earmarks		427.5	499.6
Highway Infra Project -- Bridge Replace & Rehab	1,080.0		1,345.0
Highway Infra. Projects - Puerto Rico	2.7	3.2	2.7
Highway Infra. Projects - Territorial	0.7	650.0	650.0
Highway Infra. Projects - Fed. Lands & Tribal	100.0	67.0	100.0
Highway Infra. Projects - Competitive Bridge			125.0
RR/Highway Crossing Competitive Grant	50.0		
Appalachian Highways	100.0	51.2	100.0
Regional Infra. Accelerator Program	5.0	12.0	
Geospatial Dataset	5.0		
Advanced Digital Construction Mgmt. Systems		15.0	
Ports of Entry Corridor Studies		7.5	

Impacts of Culvert Roads & Bridges on Salmon
Studies

Scenic Byways	16.0	5.0	16.0
TOTAL	\$48,365.2	\$62,381.5	\$49,844.1

FRA

AMTRAK NEC ADA Compliance		75.0	75.0
AMTRAK NEC	700.0	1,125.0	893.7
AMTRAK Nat. Network - ADA Compliance		75.0	
AMTRAK Nat. Network - Replace Cars			
AMTRAK Nat. Network - Tech and PTC	50.0		50.0
AMTAK Nat. Network - General	1,175.0	1,425.0	1,681.3
PRIME Grants		625.0	
CRISI - New Intercity Rail Corridors	75.0	150.0	
CRISI -- RR/HWY Crossings			
CRISI -- Anti -Trespassing Grants	25.0	25.0	
CRISI - Earmarks			120.9
CRISI - General	75.0	325.0	400.0
F-S Partnership for SOGR	200.0		220.0
Restoration and Enhancement	4.7		2.0
MagLev Deployment Program	2.0	5.0	
RR-HWY Crossing Elimination			
TOTAL	\$2,306.7	\$3,830.0	\$3,442.9

FTA

Formula Grants	10,150.3	13,000.0	10,800.0
CIG		2,473.0	
CIG New Starts	1,169.0		1,425.0
CIG Core Capacity	525.0		450.0
CIG Small Starts	200.0		250.5
CIG Expedited Project Delivery	100.0	150.0	100.0
WMATA	150.0		150.0
Transit Infra. Grants - Bus Formula	118.0		200.0
Transit Infra. Grants - Bus Disc.	125.0	203.0	100.0

Transit Infra. Grants - LO/NO	125.0	240.0	132.0
Tech Assistance Centers for Transition to Zero Emissions		5.0	
Transit Infra. Grants - High Density	40.0		45.0
Transit Infra. Grants - Bus Test	2.0	2.0	2.0
Transit Infra. Grants - Rural Formula	40.0		45.0
Transit Infra. Grants - Areas of Persistent Poverty	16.2		20.0
Transit Infra. Grants - Ferries	8.0	20.0	13.0
Transit Infra Grants - Integrated Smart Mobility		50.0	
Transit Infra Grants - Client Resilience & Adaptation		30.0	
Transit Infra Grants - SOGR	40.0		45.0
Transit Infra Grants - Accelerating Innovative Mobility	1.0		1.0
Transit Infra. Grants - Innovative Mobility Solutions	1.0	25.0	1.0
Transit Infra Grants - Earmarks			152.3
TOTAL	\$12,810.5	\$16,198.0	\$13,931.8
 OST			
BUILD/RAISE	\$1,000.00	\$1,200.0	\$1,090.0
Coastal Infrastructure Resilience Grants			300.0
Safe and Accessible Roadways for All			50.0

It is important to note that this bill’s fiscal 2022 spending levels fall short of the amounts that would be authorized for this year in the pending infrastructure package. The shortfalls are approximately \$9 billion for highways, \$2 billion for rail and \$2 billion for transit.

Within the transit category the bill falls short of authorizations by \$3.1 billion for formula grants and \$775 million for CIG grants. The bill includes \$756 million for unauthorized transit infrastructure grants. By contrast, the House-passed bill falls only \$146 million short on formula funding and \$527 million short on CIG funding.

Included in the transit infrastructure grant total is \$152 million for “earmarks” for projects requested by Democratic Senators. The bill also includes \$500 million in highway earmarks and \$121 million in rail earmarks. This \$ 773 million total for earmarks compares to the House bill’s \$428 million.

As noted above, these numbers are likely to decrease as the process continues in the Senate. As they do, the delta between the authorized funding levels and the appropriated levels for transit and rail spending may increase. This is a concern for transit and rail advocates because it almost immediately begins to erode some of the benefit of the increased multi-year authorization amounts in the infrastructure package.

Congress has six weeks left before the current Continuing Resolution for spending programs expires. The controversy surrounding this week's release of Democratic proposals may make it difficult to get the bills done in that time.

Timing for Vaccine and Testing Requirements for Employers Unclear

Transit agencies around the country continue to keep an eye on the potential that the federal government will impose on them requirements for vaccination or testing of all employees. As this week comes to a close, the Biden Administration continues to work to refine its proposals. The President announced the plan on September 9. Since then the White House and the Labor Department's Occupational Safety and Health Administration have been working to develop an "Emergency Temporary Standard" to define the details of the program. No public comment period is required to issue this standard.

While it is not altogether clear public transit agencies will be included in the requirements, all indications are that they most likely will be.

The timing of the effective date of the standard is not clear. In meetings at the White House as recently as this week, representatives of major employers urged that no requirement take effect before January 1. That would seem like a reasonable timeframe.

October 29, 2021

Transportation Update from Peysner Associates

Legislative Text of Reconciliation Package Includes Transit and High-Speed Rail

As reported to you on Monday, the ground shifted over the past ten days in the direction of the inclusion in the scaled-back "Build Back Better" plan (a.k.a. Budget Reconciliation) of the funding for transit and high-speed rail included in the original House draft of the \$3.5 trillion version of the bill. This was borne out when the House Rules Committee on Thursday released the legislative text of the now-\$1.85 trillion plan.

The new text includes the House Transportation and Infrastructure Committee's proposed Affordable Housing Access Program at the slightly reduced amount of \$9.75 billion. The program for high-speed rail is included at its original \$10 billion level. Dropped from the original T&I Committee version were funding for earmarked projects and credit risk premiums in the RRIF loan program.

It is important to note that the legislative text released yesterday is by no means a final product. It represents what some are calling a "rough draft" of the agreement reached between the White House and Democratic congressional leadership.

President Biden delayed his departure for Europe yesterday to sell this new package, which he called a “framework,” to House Democrats and to the Nation. In a morning meeting with the House Democratic Caucus, he outlined the plan and emphasized that failure to enact it and the infrastructure bill would be very detrimental to his Administration and Democrats in Congress. In a speech in the East Room of the White House later in the morning, he announced the plan publicly and urged its adoption.

These two events yesterday were essentially designed to put pressure on Democrats on Capitol Hill to fall in line and pass both the Build Back Better plan and the infrastructure bill. As the day and night wore on, it became apparent only modest progress resulted from those efforts.

On the House side, the new “BBB” plan appears to enjoy sufficient support to pass. The House Progressive Caucus last night released a statement endorsing it. On the Senate side, however, the bill does not yet have the endorsement of key Democratic Senators Joe Manchin (WV) and Kyrsten Sinema (AZ). Support among more progressive Senators is also open to some question now because of the deletion of paid family leave from the package. Sen. Kirsten Gillibrand (D-NY) has vowed to continue fighting for inclusion of paid family leave. Like any Democratic Senator in the 50/50 Senate, she has leverage if she is prepared to withhold support for the package over this issue.

More discussion and debate will be taking place in the coming days. While there may be some changes to certain parts of the bill released yesterday, it appears the transit and rail funding provisions are on safe ground at present. The only threat to them would be if Sens. Manchin and Sinema demand significant spending reductions below the \$1.85 trillion level and that necessitates another screen of programs included.

Infrastructure Package Still Stalled – Extension of Authorizations Cleared by Congress

House Speaker Nancy Pelosi (D-CA) tried throughout the day yesterday to get agreement from the House Progressive Caucus to bring up the bipartisan infrastructure plan for final passage in the House. She had hoped the progress on the Build Back Better plan would be sufficient to get agreement to move ahead on infrastructure. Her hopes were dashed around 6pm last night when the Chair of the progressive group, Rep. Pramila Jayapal (D-WA), announced her group was sticking to its position that they will not support the infrastructure bill until the reconciliation bill is finalized and passage in the Senate is assured.

Immediately after Jayapal’s announcement, the House voted on a bill to extend until December 3rd the authorization for federal surface transportation programs. The Senate cleared it for the President’s signature by unanimous consent later in the evening.

December 3rd is also the date when the Continuing Resolution on annual appropriations bills expires. It is also around the time the current debt limit is likely to be reached. Setting that date on the transportation bills is a tacit admission that the debate over the reconciliation package may well go on for a while.

November 5, 2021

Transportation Update from Peyser Associates

House to Vote Today on Infrastructure and Reconciliation Measures

Spurred on by a disappointing election day for Democrats on Tuesday, the House is slated to vote today on two historic pieces of legislation. The first vote will be on a revised “Build Back Better” bill (aka Budget Reconciliation). The second will be a vote on final passage of the bipartisan infrastructure bill – the “Infrastructure Investment and Jobs Act.” As this is written, House Speaker Nancy Pelosi (D-CA) is still rounding up votes for the reconciliation measure.

Getting to this place involved a torturous several days of negotiations amongst House Democrats. During the process, Pelosi was forced to change her tactical approach to advancing the bill by agreeing to place on the House floor a reconciliation bill that she knows will not pass the Senate without changes. This guarantees the measure will come back for another vote in the House after the Senate works its will. The shift in tactics was needed because the Speaker needed to add provisions to the bill to satisfy both the progressive and moderate wings of her caucus. Progressives pushed hard for the inclusion in the bill of four weeks of paid family leave and authority for the Medicare program to negotiate the prices of a handful of prescription drugs. Several moderates from high-tax states like New York and New Jersey pushed for an increase in the deductibility from federal tax returns of state and local taxes paid.

The provision on paid leave, in particular, is highly likely to be stripped from the bill in the Senate. Sen. Joe Manchin (D-WV) made it clear this week that he opposes that provision.

Once the House passes the reconciliation measure, it will turn to a vote on final passage of the bipartisan infrastructure bill. That measure may attract a handful of Republican votes. A positive vote will send the bill to the President’s desk for his signature.

No amendments will be allowed to either measure once the leadership places it on the floor.

Over on the Senate side, Majority Leader Chuck Schumer (D-NY) is planning to bring the reconciliation measure up the week of November 15. In the meantime, he will need to bring Sens. Manchin and Sinema (D-AZ) into the fold. Sen. Sinema has been quiet in the last two weeks while Sen. Manchin continues to demand the attention of the nation, the press and his colleagues to air his thoughts in public. This included a press conference on Monday in which he said he could just as easily vote against the reconciliation bill as for it. The fact that a Senator would issue such a broadside against the number one legislative priority of a President of his own party while the President was out of the country touting the benefits of that same pending legislation shows just how far away the Senate has moved from one of its most time-honored traditions. Manchin did soften his comments on Tuesday (presumably after a conversation with the President) to say he continues to work for a compromise and believes one can be found.

While this *sturm und drang* goes on, it can be hard for transportation advocates to remain focused on the important fact that these two bills taken together represent the largest investment in American transportation infrastructure in decades. The \$550 billion in increased spending in the infrastructure bill and the \$20 billion for transit and high-speed rail in the reconciliation bill will create millions of construction jobs, contribute to greenhouse gas emission reductions, and foster economic development nationwide. Whether the combined effect of all this investment contributes to greater equity in the provision of transportation services and the economy generally remains to be seen.

Appropriators Raise the Specter of a Year-Long Continuing Resolution

The bi-partisan leaders of the House and Senate Appropriation Committees met on Tuesday in hope of finding a path to advancing fiscal year 2022 spending bills. They did not find one. Here at week's end, both sides are talking about a full-year Continuing Resolution (CR).

Sen. Richard Shelby (R-AL), the Ranking Republican on Senate Appropriations was the first to raise the specter of a full-year CR on Wednesday when he said it is likely that the current CR which, expires on December 3 will need to be extended and that “a lot of people would like” to see a full-year CR. From his point of view, the benefit of that would be to keep what he views as “poison pill” policy changes out of the bills. His list of poison pills includes the absence of the “Hyde Amendment,” which for more than 40 years has prevented the Medicaid program from funding abortions and the absence of other anti-abortion policy riders. Of course, there are also changes to current spending and policy the GOP supports, such as increasing Defense spending and banning new regulations on methane gas emissions.

Democratic Appropriations Committee leaders Sen. Pat Leahy (D-VT) and Rep. Rosa DeLauro (D-CT) both reminded their GOP colleagues that insisting on a full-year CR would prevent any increase in Defense spending, which is a GOP priority.

A continuing resolution typically maintains funding at current levels for all programs and keeps all existing policy riders in place. So-called “anomalies” (i.e. spending and policy that differs from previous levels) can be negotiated, but the default position is current policy and spending levels. In the world of transportation spending, a full-year CR would likely mean that authorized increases in spending for transit and rail programs would NOT be appropriated in fiscal year 2022. This would immediately erode some of the benefit of the bipartisan infrastructure bill. While that bill by itself appropriates significant additional funds for transit and rail programs, it also authorizes funding that needs appropriations in this and coming years.

Biden Administration Published Vaccine Mandate for Large Employers, Including Many Transit Agencies

The Department of Labor yesterday released a new Emergency Technical Standard requiring employers of more than 100 people to put in place a vaccine mandate or a testing and masking regime by January 4 at the latest. The standard applies to all large private employers and to public sector employers in every state with an State Safety Plan approved by the Occupational Safety and Health Administration (OSHA). At present, 25 states, DC, Puerto Rico and the US Virgin Islands all have state plans approved that cover public sector workers. It would appear, then, that public transit workers are covered in all of those places.

Click [HERE](#) for a fact sheet on the rule.

Attorneys General from 22 states and numerous industry groups have vowed to challenge this standard in court. There will be some busy judges in the coming weeks and the Supreme Court may well need to rule on challenges in the next 30 days.

November 12, 2021

Transportation Update from Peyser Associates

Packed Congressional Agenda and Ticking Clock Await Returning Members

Members of the House and Senate will return on Monday from a week-long recess with only eight days of session between then and December 3, when the current Continuing Resolution (CR) keeping government programs running expires. That same day has been held out as a deadline for increasing or suspending the federal debt limit. However, in recent weeks, the Treasury Department has indicated that through “extraordinary measures” (i.e. moving money from one government account to another) that date may be extended into January.

Even if the debt limit issue is pushed into the New Year, Congress has a daunting task ahead of it between now and the Christmas holidays. As reported in previous weeks, deep divides exist between Democratic and Republican leaders in the Senate over top-line spending numbers for fiscal 2022 appropriation bills for domestic discretionary and defense programs. The appropriation bills put forward by Senate Democrats would raise domestic discretionary spending by 13% and defense spending by 5%. GOP Senators are demanding parity in the funding increases for those two categories.

Bridging the divide on appropriations in the time between now and December third would be a difficult challenge even if it was the only thing on the agenda between now and then. But, of course, that is not the case. The Build Back Better bill (aka budget reconciliation) still looms as an action item in the coming weeks. The House plans to take up their version of that bill next week. Senate Majority Leader Chuck Schumer (D-NY) has said he would like to bring it up on the Senate side next week as well.

The prospects for that appear to be daunting given that Senators continue to debate in public certain provisions of the plan put forward on the House side with the support of the Biden Administration. Last week’s report noted Sen. Joe Manchin’s (D-WV) objection to the paid family leave provisions in the House bill. This week, Sen. Manchin set his sights on the provision in the House bill that provides a bonus tax credit for the purchase of electric vehicles made in the U.S. by union labor. “That’s not who we are as a country,” said Sen. Manchin while touring a non-union Toyota plant in his home state. Sen. Manchin is a supporter of deep tax incentives for West Virginia’s coal industry. One assumes those tax provisions are more reflective of who we are as a country in the mind of the Senator.

Unless a swift agreement can be reached within the Senate Democratic caucus, votes on the Senate floor on this package may have to wait until the week after Thanksgiving. That is the same week the CR expires. Doing the appropriations bills and the Build Back Better bill in the Senate the same week would be nigh on to impossible. Something will need to give and that something is likely to be the appropriations bills. It would not be surprising to see an extension of the CR until Christmas Eve.

DeFazio Optimistic Transportation Spending Will Stay in the Build Back Better Plan

House Committee on Transportation and Infrastructure Chair Peter DeFazio (D-WV) expressed optimism this week that the \$10 billion of transit and \$10 billion for high-speed rail in the Build Back Better plan will remain in the package as it moves through the House and the Senate in the coming weeks.

As noted above, the House will vote next week on the version of the bill cleared by the House Committee on Rules on November 3 with no amendments allowed. DeFazio told reporters on Wednesday that he has been in close touch with the leaders of the committees of the Senate with transportation jurisdiction and that they are in “full agreement” with the transportation provisions in the plan the House will consider. Conversations your reporter has had with Senate staff this week support this conclusion.

November 19, 2021

Transportation Update from Peyser Associates

House Passes Build Back Better Act – Senate Hurdles Await

The House this morning passed the Build Back Better Act (aka budget reconciliation) on a vote of 220-213. It was a straight party line vote with the exception of one Democrat who voted no. The \$1.75 billion spending measure is largely focused on social policy and climate and includes \$10 billion each for high-speed rail and public transit.

The House’s path to passage was a torturous one, with Speaker Nancy Pelosi (D-CA) balancing over many weeks the concerns of her large progressive caucus with those of the much smaller, but still big-enough-to-matter, moderate wing of her caucus. Now comes the really hard part as the bill moves on to the Senate.

In the past week to ten days economists with Democratic ties, such as former Treasury Secretary Larry Summers and former White House economic adviser Steven Rattner have joined the chorus – including the New York Times Editorial Board – of others who have indicated in recent weeks that it would be advisable to pause consideration of further economic stimulus. This view is grounded in the idea that inflation numbers that have proven to be higher and more durable than expected are the result of the already enacted stimulus plans in response to the COVID pandemic. The argument goes that the combination of the infrastructure measure and the Build Back Better Act will further contribute to inflation.

As readers of this report will recall, Sen. Joe Manchin (D-WV) called many weeks ago for a pause in the consideration of the Build Back Better Act. Sen. Manchin was largely silent this week on the subject of the bill. So was Majority Leader Chuck Schumer (D-NY), who had previously indicated he wanted to bring the bill up this week.

While the odds continue to favor the eventual passage of this measure, its prospects are not as bright this week as they were even one week ago. If the narrative about the potential inflationary impacts of the bill continues to take hold, the picture could be even more cloudy when Congress returns from its Thanksgiving break.

President Biden Signs Infrastructure Bill into Law

The fact that the signing of the most momentous infrastructure bill enacted by Congress since the 1956 Interstate Highway Act is not the top story in this week’s report has more to do with the news cycle than it does the significance of the event. The signing of the Infrastructure

Investment and Jobs Act on Monday signals the beginning of an unparalleled period of investment in American infrastructure – with a particular focus on transportation.

This report has covered the details of this legislation over recent months. But the big picture – an investment of more than \$1 trillion over five years in U.S. infrastructure – can sometimes get lost in the discussion of the details of new programs, funding amounts, and policy changes. The significance of the investment is hard to overstate. Unfortunately, the difficulties being encountered by the President’s other major initiative – detailed above – are tending to deflect attention from this signal achievement. One can imagine the Biden team is wondering about the wisdom of putting forward both of these historic initiatives at the same time. The impact of the stunning infrastructure success is being dampened considerably in the public mind as the debate on Build Back better drags on.

No Progress on Spending Bills for Fiscal 2022

The first thing Congress will need to tackle when they return on November 28 is the impending expiration – on Friday, December 3 – of the Continuing Resolution keeping government programs operating. There is no sign that Senate Democratic and Republican leaders have made progress in bridging their differences over the topline funding amounts for defense and domestic discretionary spending. Democratic leaders this week floated the idea of another CR until December 17. The Ranking Republican Member of the Senate Appropriations Committee, Sen. Richard Shelby (R-AL) almost immediately said he didn’t think that would provide enough time. So, as noted in last week’s report, the prospect of Congress working on the fiscal 2022 appropriations bills as Santa’s sleighbells start to ring is very much on the table.

Also on the table is the potential for a full year CR. Such an outcome could prevent the appropriation of increased authorized amounts for transportation programs included in the reauthorization section of the infrastructure bill. This would amount to an early victory for GOP Members seeking to chip away at the spending in the legislation.

DOT Sets Listening/Briefing Sessions on Implementation of IIJA Programs

The Department of Transportation today announced a series of listening and briefing sessions about implementation of the programs in the infrastructure bill. These are opportunities to ask questions about implementation and the Department has suggested that submittal of questions in advance would be welcome.

Here is the schedule for briefings of interest to readers of this report:

Transit – Weds. Dec. 1, 4-5pm EST

Roads and Bridges – Thurs. Dec. 2, 3:45-5pm EST

Rail – Fri. Dec 3, 1:30-2:15pm EST

Ports, Motor Carriers – Tues. Dec 7, 2:30-3:15pm EST

Innovation, Safe Streets for All – Fri. Dec 10, 2-3pm EST

OST - New Financing Opportunities, Permitting, Megaprojects – Tues., Dec 14 2:30pm EST.

Briefings are by invitation and are virtual.

Please be in touch if you would like to discuss the approach to these briefings.